

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Case No. 07 CV 6700 (GBD)

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NEW FALLS CORPORATION,

Plaintiff, **COMPLAINT**

-against-

KASADEL INC., and KASHIF IBAD,

Defendants.

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Plaintiff, by its attorneys, VLOCK & ASSOCIATES, P.C., complains against Defendants
as follows:

THE PARTIES

1. Plaintiff NEW FALLS CORPORATION, is a company organized and existing pursuant to the laws of the State of Ohio, with its principal place of business located at 100 North Center Street, Newton Falls, Ohio 44444.

2. Upon information and belief, Defendant KASADEL INC. is a corporation organized and existing pursuant to the laws of the State of New York, with its principal place of business at 545 Eighth Avenue, New York, New York 10018.

3. Upon information and belief, Defendant KASHIF IBAD is an individual residing at 96 Grandview Avenue, Nanuet, New York and is the President of Defendant, Kasadel Inc.

JURISDICTION AND VENUE

4. Jurisdiction over the subject matter of this action is properly in this Court pursuant to 28 U.S.C. § 1332, based upon diversity of citizenship of the parties. The amount in controversy herein exceeds the sum of \$75,000.00.

5. Venue is pursuant to 28 U.S.C. §1391, as the cause of action arose in the Southern District of New York.

CAUSE OF ACTION

6. On or about September 16, 2001, Defendant KASADEL INC., for valuable and substantial consideration, executed and delivered to Plaintiff's predecessor-in-interest, Fleet Bank, a Small Business Line of Credit Agreement ("Agreement") in the amount of \$80,000. A copy of the said Agreement dated September 16, 2001 is annexed hereto as Exhibit "A" and the terms and provisions thereof are incorporated herein as if more fully set forth at length hereinafter.

7. On or about September 16, 2001, Defendant KASHIF IBAD, for valuable and substantial consideration, executed and delivered a certain Guaranty, by which said Defendant guaranteed the obligations of Defendant, KASADEL INC. with regard to the aforesaid Agreement dated September 16, 2001. A copy of the Guaranty dated September 16, 2001 is contained as part of the Agreement annexed hereto as Exhibit "A."

8. The Agreement and Guaranty were assigned and transferred to Stornawaye Financial Corporation., by Assignment dated June 23, 2004. Thereafter, the Agreement and Guaranty were assigned and transferred to Plaintiff, by Assignment dated May 23, 2005. Copies of the aforesaid Assignments are annexed hereto collectively as Exhibit "B."

9. Pursuant to the terms of the Agreement, Defendants agreed to pay to Plaintiff the principal, interest and other charges as provided in the said Agreement, equal to or more than the minimum monthly amounts due upon each monthly statement.

10. Pursuant to the terms of the Agreement, in case of default in the payment of any principal or interest or other charges due that might become due thereon, or in case of a default in the compliance with the other terms, covenants or conditions of the Agreement, Plaintiff could declare the entire indebtedness immediately due and payable.

11. Pursuant to the terms of the Agreement, in case of default in the payment of any principal or interest or other charges due that might become due thereon, Defendants agreed to pay interest upon the sums due at the rate of 16 percent per annum until all sums due are paid in full.

12. Pursuant to the terms of the Agreement, in case of default in the payment of any principal or interest or other charges due that might become due thereon, Defendants are liable for all costs and expenses, including attorneys' fees, incurred by Plaintiff in collecting the sums due thereunder.

13. Defendants defaulted with respect to their obligations under the Agreement by failing to timely pay principal and interest and other charges as required, and Defendants are currently in default.

14. More than ten (10) days have elapsed since said sums became due and payable, and Plaintiff has demanded payment thereof.

15. Plaintiff has duly elected and declared the entire outstanding principal balance with interest and other charges owed under the Agreement and demanded that said amount be paid in full. Defendants have failed to make payment thereof.

16. Based upon the foregoing, as of July 13, 2007, Defendants are indebted to Plaintiff in the principal sum of \$76,768.00, together with interest in the sum of \$41,828.18, together with late fees in the sum of \$250.03, for a total sum of \$118,846.21, not including attorneys' fees and expenses, and the costs and disbursements of this action.

DEMAND FOR RELIEF

Plaintiff demands judgment against Defendants as follows:

- a. In the sum of \$118,846.21, together with interest from July 14, 2007, as set forth in the Agreement at the rate of 16 percent per annum, together with late fees and other charges;
- b. For attorneys' fees and expenses incurred by Plaintiff in this action in a sum to be determined by the Court; and
- c. For such other and further relief as the Court deems just and proper under the circumstances, together with interest, and the costs and disbursements of this action.

Dated: New York, New York
July 24, 2007

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